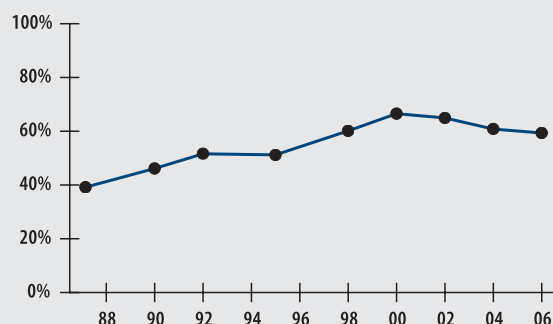
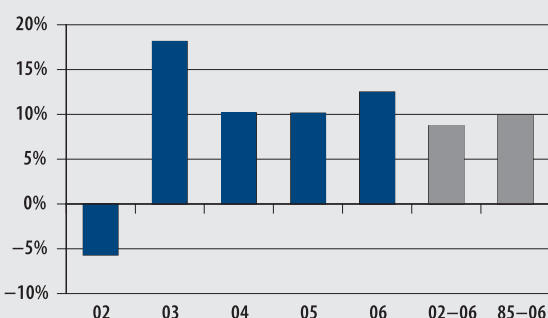


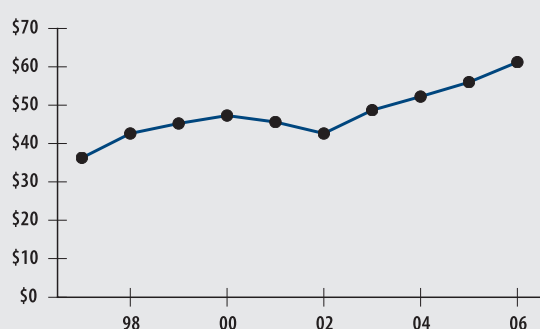
► **Funded Ratio (1987-2006)**



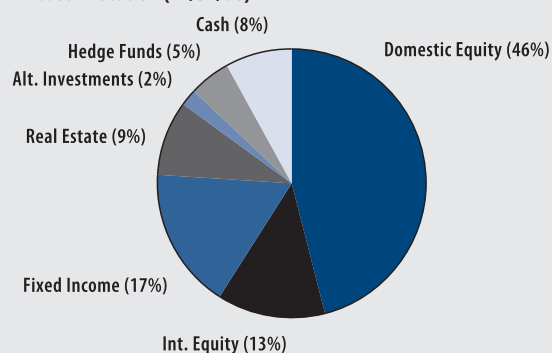
► **Investment Return (2002-2006, 5 Year and 22 Year Averages)**



► **Asset Growth (1997-2006) (Market Value in Millions)**



► **Asset Allocation (12/31/06)**



► **ACTUARIAL**

• Funded Ratio	59.4%
• Date of Last Valuation	01/06
• Actuary	PERAC
• Assumed Rate of Return	8.00%
• Funding Schedule	4.0% Increasing
• Year Fully Funded	2019
• Unfunded Liability	\$37.6 M
• Total Pension Appropriation (Fiscal 2007)	\$4.8 M

	Active	Retired
• Number of Members	444	394
• Total Payroll/Benefit	\$13.8 M	\$6.6 M
• Average Salary/Benefit	\$31,200	\$16,900
• Average Age	46	73
• Average Service	9.1 years	NA

► **INVESTMENT**

Domestic Equity

- Eaton Vance Large Cap Value Fund
- Independence Small Cap Fund
- INTECH Institutional Large Cap Fund
- Voyageur Equity Style Fund

International Equity

- EuroPacific Growth Fund

Domestic Fixed Income

- Columbia Management Group, Inc.
- Loomis Sayles Fixed Income Fund

Real Estate

- Clarion Lion Properties Fund
- Intercontinental Real Estate Investment Fund II, LLC
- SSgA Tuckerman / Property Redevelopment & Renovation Fund
- TA Realty Associates Fund V & VII

Alternative Investments

- Ascent Venture Partners IV, L.P.
- INVESCO Non-U.S. Partnership Fund III, L.P.
- INVESCO U.S. Buyout & Expansion Capital Partnership Fund III, L.P.
- INVESCO Venture Partnership Fund III & IV, L.P.
- Keystone Venture V

Absolute Return

- PRIT

Consultant

- Segal Advisors

Custodian

- Investors Bank & Trust

► 2006 Return	12.50%
► 2006 Target	8.00%
► 2006 Market Value	\$61.2 M
► 2002-2006 (Annualized)	8.75%
► 1985-2006 (Annualized)	9.91%